

SETTLEMENT AGREEMENT
AND
MUTUAL GENERAL RELEASE

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I. RECITALS AND BACKGROUND

A. *Parties.* The parties to this Settlement Agreement and Mutual General Release (hereinafter “the Agreement”) are as follows (and are herein collectively referred to as “the Parties”) :

1. County of Los Angeles, a political subdivision of the State of California, duly organized and existing under the laws of the State of California (hereinafter referred to as “the County”);

2. The named individual parties, listed below as (a)-(l) (hereinafter referred to collectively as “the Individual Defendants”);

- a. Laura Shell, an individual (hereinafter “Shell”);
- b. Judith Fries, an individual (hereinafter “Fries”);
- c. Frank Meneses, an individual (hereinafter “Meneses”);
- d. Don Culbertson, an individual (hereinafter “Culbertson”);
- e. John Calas, an individual (hereinafter “Calas”);
- f. John Hartman, an individual (hereinafter “Hartman”);
- g. John Gutwein, an individual (hereinafter “Gutwein”);
- h. Kerwin Chih, an individual (hereinafter “Chih”);
- i. Kevin Johnson, an individual (hereinafter “Johnson”);
- j. Rudy Silvas, an individual (hereinafter “Silvas”);
- k. Mark Pestrella, an individual (hereinafter “Pestrella”);
- l. Soheila Kalhor, an individual (hereinafter “Kalhor”);

3. The named Baker parties, listed below as (a)-(b) (hereinafter referred to collectively as “the Baker Parties”);

a. Albert Baker, an individual and trustee of the Baker Family Trust, residing in the County of Mesa, Colorado (hereinafter referred to as “Baker”);

b. Baker Family Trust, a trust duly organized under the laws of Colorado hereinafter referred to as the “Baker Trust”);

4. The named Burns parties, listed below as (a)-(b) (hereinafter referred to collectively as "the Burns Parties");

a. Paul Burns, an individual (hereinafter referred to as “Burns”);
and

b. Burns-Pacific Construction, Inc., a California corporation (hereinafter referred to as “Burns-Pacific”).

B. **Definitions.** This Agreement is entered into with reference to the following definitions:

1. “The Baker Property”: refers to the real property located in the Santa Monica Mountains at 2854 Kanan Road, in the unincorporated territory of the County of Los Angeles, California. The Baker Property is real property subject to the terms and conditions of this Agreement and the subject of pending federal litigation titled *Baker v. County of Los Angeles et. al.* (USDC Case No. CV-04-03997-GHK (PJWx)).

2. “The Burns Property”: refers to the real property located in the Santa Monica Mountains and identified as Los Angeles County Assessor Parcel No. 2063-018-039. The Burns Property is adjacent to the Baker Property. The Burns Property consists of a southern parcel (hereinafter “the southern Burns Property”) which is subject to the terms and conditions of this Agreement. The Burns northern parcel is not subject to the terms and conditions of this Agreement.

3. “The Combined Baker-Burns Property”: refers to the Baker Property and the southern Burns Property. The combined total of these two parcels

represents the real property that is subject to the terms and conditions of this Agreement. According to the Los Angeles County Assessor Map Book and Page 2063-018 the Baker Property (Parcel 23) is 42.99 gross acres and the southern Burns Property (Parcel 039) is 17.42 gross acres. Combining the Baker Property and the southern Burns Property into a parcel map yields a total of approximately 60.41 gross acres pursuant to the Los Angeles County Assessor's records. The Combined Baker-Burns Property is more particularly described in Exhibit 1 attached hereto.

C. ***Recitals.*** This Agreement is entered into with reference to the following facts and allegations:

1. Certain good faith claims and disputes have arisen among the Parties concerning the Baker Property owned by the Baker Family Trust. These disputes led to the filing of the following lawsuit: USDC Case No. CV-04-03997-GHK (PJWx), *Albert Baker, as Trustee of The Baker Family Trust v. County of Los Angeles; Laura Shell, an individual; Judith Fries, an individual; Frank Meneses, an individual; Don C. Culbertson, an individual; John Calas, an individual; John Hartman, an individual; John Gutwein, an individual; Kerwin Chih, an individual; Kevin Johnson, an individual; Rudy Silvas, an individual; Mark Pestrella, an individual; Soheila Kalhor, an individual; and Does 1 through 10, inclusive* (hereinafter referred to as "the Lawsuit"). This federal action is pending before the Honorable Judge George King.

2. This Agreement relates to all claims and disputes present in the Lawsuit that may exist or arise before or after the date of this Agreement and any and all other claims and disputes that exist or may exist between the County and the Individual Defendants on the one hand, and the Baker Parties and the Burns Parties, on the other, that concern or in any way relate to the Baker Property or the Combined Baker-Burns Property and that arise or accrue prior to the date of this Agreement, including without

limitation, any disputes relating to the matters referred to in paragraph I.C.1, above, and any disputes relating to the Baker Property or the Combined Baker-Burns Property.

3. The Parties to this Agreement have conducted extensive negotiations and discussions concerning resolution of any and all claims that have been, could have been, or may be asserted in connection with any claimed rights of the County and Individual Defendants or the Baker Parties and the Burns Parties in connection with the matters referred to in paragraphs I.C.1 and I.C.2 above, and the Parties have agreed to, among other things, fully, finally and forever settle any and all such claims or actions, known or unknown that: (i) the Baker Parties or the Burns Parties may have against the County or Individual Defendants arising out of or related to or connected with the matters referred to in paragraphs I.C.1 and I.C.2 above; and (ii) the County or the Individual Defendants may have against the Baker Parties or the Burns Parties arising out of, related to or connected with the matters referred to in paragraphs I.C.1 and I.C.2 above, on the terms and conditions set forth in this Agreement.

D. ***Conceptual Parcel Map.*** This Agreement is entered into with reference to the conceptual parcel map attached hereto as Exhibit 2. Exhibit 2 is not an approved tentative parcel map or an approved final parcel map. The County acknowledges that the conceptual parcel map is based upon the Los Angeles County Assessor's records and the Geographic Information Systems ("GIS") calculations of the County's Planning department which reflect that the gross acreage for the Combined Baker-Burns Property is 60.41 acres. The County agrees to use the 60.41 gross acreage total from its GIS calculations and the Los Angeles County Assessor's records when determining gross acreage for the tentative parcel map and in ascertaining whether the final parcel map and/or any development contemplated for the Combined Baker-Burns Property under this Agreement is in substantial compliance with the tentative parcel map. The Baker Parties

and/or the Burns Parties may, but are not required to, apply for a vesting parcel map pursuant to Los Angeles County Code Section 21.38.010 *et. seq.*

II. **TERMS REGARDING THE COMBINED BAKER-BURNS PROPERTY**

NOW, THEREFORE, in consideration of the facts recited above and the covenants, conditions and promises contained herein, the Baker Parties, the Burns Parties and the County agree as follows:

A. ***Process For Parcel Map Approval.*** The Baker Parties and the Burns Parties acknowledge that the procedure for approval of a parcel map, such as they seek for the Combined Baker-Burns Property, is a two-step process involving: (1) tentative parcel map approval; and (2) final parcel map approval and recordation. First, an applicant must prepare an application and submit a tentative parcel map with the required detail along with the required reports and surveys. The County will provide the applicant with comments (also known as denial conditions) if more information is needed. An applicant must clear these comments/denial conditions before the County will schedule a hearing for tentative parcel map approval. Once the County has the information it needs from the applicant, it will make a determination as to the conditions that must be cleared prior to final parcel map approval (also known as approval conditions). These approval conditions do not need to be fulfilled prior to tentative map approval. The tentative parcel map and recommended map conditions proceed together to the public hearing for tentative parcel map approval. The required permits and environmental documents must also accompany the parcel map to the public hearing for tentative parcel map approval. If the tentative parcel map is approved, any approval conditions must be cleared prior to final parcel map approval. A final parcel map must be prepared by a licensed surveyor or registered civil engineer and it must be approved by the County and recorded prior to tentative parcel map expiration.

B. ***Compliance With All State And County Codes And Policies.*** The Baker Parties, the Burns Parties and the County agree that approval of a parcel map for the Combined Baker-Burns property that is in conformity with the terms of this Agreement is contingent upon compliance with all relevant State and County codes, laws or policies in effect at the time the map application for the Combined Baker-Burns property is deemed complete, including, but not limited to: California Subdivision Map Act (Cal. Government Code Sections 66410-66499.58); California Permit Streamlining Act (Cal. Government Code Sections 65920 *et. seq.*); Los Angeles County Subdivision Code (County Code Title 21); Los Angeles County Zoning Code (County Code Title 22); Hillside Management Ordinance (County Code Section 22.56.215); Santa Monica Mountains North Area Community Standards District, including the Grading and Ridgeline Ordinance, (County Code Section 22.44.133); and Santa Monica Mountains North Area Plan.

County staff has reviewed the conceptual parcel map attached hereto as Exhibit 2 and knows of no current State or County code, law or policy in effect that would prevent the Baker Parties and/or the Burns Parties from developing the Combined Baker-Burns Property in substantial conformance with the lot configuration of the conceptual parcel map attached hereto as Exhibit 2.

C. ***Lot Configuration For Combined Baker-Burns Property.*** The Baker Parties, the Burns Parties and the County agree that any proposed land division of the Combined Baker-Burns Property shall be in substantial conformance with the lot configuration of the conceptual parcel map attached hereto as Exhibit 2. Specifically, the Baker Parties, the Burns Parties and the County agree that any proposed land division of the Combined Baker-Burns Property shall consist of no more than four (4) lots. Three (3) of the lots may be single family residence lots each approximately two (2) acres in size.

The fourth lot shall be dedicated to the County as open space and will be approximately 54.41 acres in size. The Baker Parties, the Burns Parties and the County agree that a proposed land division of the Combined Baker-Burns Property that includes the above-described open space lot and three (3) residential lots (at least two (2) acres in size) may be deemed in substantial conformance with the conceptual parcel map attached hereto as Exhibit 2.

The County acknowledges that a parcel map for the Combined Baker-Burns Property, in substantial conformance with Exhibit 2 attached hereto, can be processed without requiring a zone change or plan amendment based on the applicable zoning designation of A-1-20 (Light Agricultural – 20 Acre Minimum Required Lot Area) and the applicable land use designation of N20 (Mountain Lands 20) that are in effect at the time of execution of this Agreement. The Baker Parties, the Burns Parties and the County acknowledge that a proposed parcel map for the Combined Baker-Burns Property in substantial compliance with Exhibit 2 attached hereto and in conformity with the terms of this Agreement shall be subject to the zoning and land use designations in effect at the time the application is deemed complete. The Baker Parties, the Burns Parties and the County additionally acknowledge that the development of one single family residence on each of the three two-acre residential parcels, in conjunction with the dedication of the fourth parcel as open space, is in conformance with current zoning and land use designations in effect at the time this Agreement is executed.

D. ***Permits Required Prior To Tentative Parcel Map Approval.*** The Baker Parties and the Burns Parties acknowledge that certain conditional use permits (“CUPs”) for a parcel map will be required for the project proposed for the Combined Baker-Burns Property. These permits will be processed concurrently with an application for a tentative parcel map and will proceed to the public hearing along with the proposed tentative parcel map.

The Baker Parties and the Burns Parties acknowledge that the following permits will be required: (1) a CUP for density-controlled development pursuant to Section 22.56.205 of the County Code; and (2) a Hillside Management CUP pursuant to Section 22.56.215 of the County Code. The Baker Parties, the Burns Parties and the County agree that at the time of execution of this Agreement, it cannot be determined with certainty whether additional permits may be required. The Baker Parties and the Burns Parties acknowledge, however, that certain additional permits are likely to be required for the development of the proposed residential lots including, but not limited to, the following: (1) an Oak Tree Permit pursuant to Part 16 of Section 22.56 of the County Code; (2) a CUP for cut and fill grading exceeding 5,000 cubic yards pursuant to Section 22.44.133(D)(4)(b) of the County Code; and (3) a CUP for cut and fill material being transported off-site exceeding 1,000 cubic yards pursuant to Section 22.44.133(D)(4)(c) of the County Code. At the time of execution of this Agreement, the Baker Parties and/or the Burns Parties have not submitted all the information required for the County to make a final determination regarding recommending approval of permits. The County, however, agrees that County staff will take all good faith steps necessary to resolve any issues that may arise regarding any CUPs and/or other permits that are necessary to facilitate the development of the Combined Baker-Burns Property as depicted in the conceptual parcel map attached hereto as Exhibit 2.

The Baker Parties, the Burns Parties and the County further acknowledge that any project on the Combined Baker-Burns Property must comply with the Significant Ridgeline provisions within the Santa Monica Mountains North Area Plan and the Santa Monica Mountains North Area Community Standards District. The Baker Parties and the County agree that they have reviewed the conceptual parcel map that is attached hereto as Exhibit 2, and based upon their review of said map, the Baker Parties and the County

believe that the proposed development will not require a variance from the North Area Plan and/or North Area Community Standards District. The Baker Parties, the Burns Parties and the County acknowledge, however, that if a proposed project does not comply with these provisions a variance will be required. In the event that one or more variances should be required, the County agrees that County staff will take all good faith steps necessary to resolve any issues that may arise regarding any potential variances that are necessary to facilitate the development of the Combined Baker-Burns Property as depicted in the conceptual parcel map attached hereto as Exhibit 2.

E. *Additional Information Required Prior To Tentative Parcel Map*

Approval. The Baker Parties and the Burns Parties acknowledge that they have not submitted some of the information, reports and/or surveys required for County staff to make a final determination regarding recommending approval of the tentative parcel map for the Combined Baker-Burns Property at the time of execution of this Agreement. Accordingly, the Baker Parties and the Burns Parties acknowledge that County staff will make additional comprehensive comments when the Baker Parties and/or the Burns Parties submit additional information, reports and/or surveys in the future.

The County has reviewed the conceptual parcel map attached hereto as Exhibit 2. Based on its review of the limited information thus far provided by the Baker Parties and/or the Burns Parties, the County has provided initial comments and included discussion as to the additional information that is required before a hearing may be scheduled for approval of a tentative parcel map for the Combined Baker-Burns Property. The Baker Parties and the Burns Parties acknowledge that the County's initial comments in the documents attached hereto as Exhibits 3-10, and listed below, are *not* exhaustive. Further review may identify, and subsequent changes to the parcel map may trigger, additional requirements.

1. The Baker Parties and the Burns Parties acknowledge that prior to scheduling a hearing for tentative parcel map approval, they must provide, among other things:

a. a parcel map that: (i) depicts lot dimensions including street frontage; (ii) depicts general project notes including project size, number of units, existing and proposed use, existing and proposed zoning, utilities, grading amount, and other entitlements (if applicable); (iii) indicates gross and net area for each lot and total project size; (iv) labels street frontage and all lot dimensions; (v) labels any walls (including retaining walls) and shows cross-sections for those retaining walls exceeding six feet; (vi) notes the number of oak trees to be removed/encroached upon (if any); (vii) does not depict proposed building footprints (i.e. these must be removed); and (viii) depicts all other information as required by Section 21.48.040 of the County Code;

b. a completed Zoning and Subdivision Application that includes: (i) an Oak Tree Statement; and (ii) grading information including breakdown of cut and fill;

c. a completed Initial Study Questionnaire. The County's review of the completed questionnaire may trigger the request for additional information;

d. a slope analysis map that: (i) depicts breakdown by table and on map of 0-25%, 25%-50% and 50%+ slopes with acreage in each slope category; and (ii) provides lot layout, lot lines and street layout as an overlay to slope map;

e. an open space exhibit that: (i) depicts breakdown by table and on map by natural and disturbed open space; and (ii) provides lot layout, lot lines and street layout as an overlay to open space exhibit; and

f. all information required for CUPs including completed burdens of proof, supplemental information as required by County Code and an Exhibit A that shows all the same underlying information as the parcel map.

2. The Baker Parties and the Burns Parties acknowledge that prior to scheduling a hearing for tentative parcel map approval, they must provide the information identified in the Hydrology, Drainage and Grading Review Sheet attached hereto as Exhibit 3, including:

a. an approved drainage concept showing the extent of drainage impacts and providing mitigation acceptable to the County. The analysis should address increases in runoff, any changes in drainage patterns, debris producing areas, and the capacity of existing storm drain facilities. The drainage concept must also include a Standard Urban Stormwater Mitigation Plan ("SUSMP");

b. a parcel map that depicts line identification of all proposed drainage facilities;

c. a preliminary soils and geology reports related to debris, retention and detention basins if the County determines such is necessary based on geographic and adverse geotechnical conditions;

d. engineering calculations to support sizing of debris, retention, and detention basins (if applicable);

e. a parcel map that shows approximate flood hazard and bank erosion setbacks and lot identifications (as needed);

f. a parcel map that shows slopes for existing and proposed streets;

g. a letter of intent for any offsite work;

h. a parcel map that shows existing topography, benchmark information/fixed reference point for vertical control, earthwork volume (cubic yards), and pad elevations/finished floor elevations;

i. a list of all easements affecting the property along with the proposed status (e.g. quitclaim, relocate, and/or holder approval);

j. information to demonstrate that driveway access to the pads can be constructed to be compatible with the reasonable design of any private and future street or existing public streets;

k. a parcel map that shows all grading necessary to construct a private driveway off Kanan Road that will serve the three (3) single family residential lots. The Baker Parties and the Burns Parties will not construct, nor are they required to construct, the conceptual road W. Gana Drive that is shown on the conceptual parcel map attached hereto as Exhibit 2. Although the Baker Parties and the Burns Parties have no obligation to construct W. Gana Drive, this Agreement does not impact the potential right of any persons or entities to construct W. Gana Drive. Specifically, nothing in this Agreement vacates any right that may be held, if any, by any persons or entities to an easement to build the future road W. Gana Drive over the Baker-Burns Property nor shall the Baker Parties or the Burns Parties take any action to negatively impact any existing easement rights to construct W. Gana Drive including but not limited to any such rights granted pursuant to a certificate of exception; and

l. a parcel map that shows and labels all existing drainage systems and easements.

3. The Baker Parties and the Burns Parties acknowledge that prior to scheduling a hearing for tentative parcel map approval, an approved geotechnical report,

as described in the Geologic Review Sheet attached hereto as Exhibit 4, must be submitted along with the parcel map for the Combined Baker-Burns Property.

4. The Baker Parties and the Burns Parties acknowledge that prior to scheduling a hearing for tentative parcel map approval, an approved soils report, as described in the Soils Engineering Review Sheet attached hereto as Exhibit 5, must be submitted along with the parcel map for the Combined Baker-Burns Property.

5. The Baker Parties and the Burns Parties acknowledge that prior to scheduling a hearing for tentative parcel map approval, they must provide the information identified in the Road Review Sheet attached hereto as Exhibit 6, including:

- a. proof of all necessary off-site right of way/easement to construct the offsite street improvements/grading for a private driveway from Kanan Road serving the three (3) single family residential lots;
- b. a parcel map that shows dedicated vehicular access rights to Kanan Road; and
- c. a parcel map that depicts all the information identified in paragraph three (3) of the Road Review sheet attached hereto as Exhibit 6.

6. The Baker Parties and the Burns Parties acknowledge that prior to scheduling a hearing for tentative parcel map approval, they must provide the information identified in the Sewer Review Sheet attached hereto as Exhibit 7, including:

- a. a Zoning and Subdivision Application that explains, among other things, that private sewers is the method of sewage disposal;
- b. a parcel map that shows and calls out the locations of existing or proposed septic disposal systems; and
- c. a parcel map that shows that each lot has its own existing or proposed septic disposal systems. A septic disposal system must be within the same

parcel as the parcel it serves; if it is not, the septic disposal system shall be relocated so that it is situated within the parcel it serves.

7. The Baker Parties and the Burns Parties acknowledge that prior to scheduling a hearing for tentative parcel map approval, they must provide the information identified in the Water Review Sheet attached hereto as Exhibit 8, including:

- a. a Zoning and Subdivision Application that provides, among other things, the domestic water source and the name of the water company and district;
- b. a parcel map that shows the location of existing water main lines to serve the proposed development;
- c. a parcel map that shows how each parcel is to be served by existing public water and that calls out the proposed points of connection to the existing water system; and
- d. a "Will Serve Letter" from the water purveyor indicating that the water system will be operated by the purveyor. The letter should indicate that under normal conditions the system will meet the requirements for the land division and that the water service will be provided to each parcel.

8. The Baker Parties and the Burns Parties acknowledge that prior to scheduling a hearing for tentative parcel map approval, they must provide the information identified in the letter from Public Health attached hereto as Exhibit 9.

9. The Baker Parties and the Burns Parties acknowledge that prior to scheduling a hearing for tentative parcel map approval, they must provide the information identified in the Fire Department Review Sheet attached hereto as Exhibit 10.

F. ***Impact Analysis Prior To Tentative Parcel Map Approval.*** The Baker Parties, the Burns Parties and the County agree that the Initial Study Questionnaire will be submitted along with the application for a tentative parcel map for the Combined

Baker-Burns Property. After reviewing the Initial Study Questionnaire, the County may determine that it needs additional information from the applicant to make its environmental determination. The Baker Parties and/or the Burns Parties agree to provide the County with the additional information the County needs to make the environmental determination. The County will make the environmental determination for the Combined Baker-Burns Property in compliance with CEQA and CEQA Guidelines. The Baker Parties and the Burns Parties acknowledge that the environmental review must be completed before a hearing for tentative parcel map approval will be scheduled.

G. *Determine/Realign Trails Prior To Tentative Parcel Map Approval.* The Baker Parties, the Burns Parties and the County agree that there are two trails that may traverse the Combined Baker-Burns Property; the Chihuahua Trail, a National Park Service trail and the Zuma Ridge Trail, a County trail. If it is determined to be feasible, the County will realign the two trails so that they are entirely within the lot dedicated to the County as open space. If it is not feasible to align the two trails entirely within the lot dedicated to the County as open space, the Baker Parties and/or the Burns Parties agree to grant an easement to the County to provide access to the two trails.

The Baker Parties and/or the Burns Parties further agree to grant a trail easement to the County to provide access from Kanan Road to the lot dedicated to the County as open space. The Baker Parties, the Burns Parties and the County will work together to determine the alignment of this trail easement.

H. *Processing Of Tentative Parcel Map Application.*

The Baker Parties and the Burns Parties agree to work in good faith to submit all application materials and corrections promptly, and the County agrees to work in good faith to review all submittals expeditiously. The County agrees that its Planning

Department will coordinate with each of the reviewing departments of a tentative parcel map application for the Combined Baker-Burns Property that is in substantial compliance with Exhibit 2 attached hereto and use its best efforts to obtain comments from the reviewing departments within forty-five (45) days of the date a completed tentative parcel map application is submitted to the reviewing departments. The Baker Parties and the Burns Parties acknowledge that the County's agreement to use its best efforts does not guarantee obtaining comments from the reviewing departments within the above-specified target timeframe. The Baker Parties and the Burns Parties further acknowledge that the reviewing departments may, in accordance with County Codes and policies and other applicable laws and policies, require additional information in order to review and provide comments on the tentative parcel map application and that the need for additional information may require additional review time in excess of the above-specified forty-five (45) day target timeframe.

I. ***Preliminary Identification Of Conditions To Be Cleared For Final Parcel Map Approval.*** The Baker Parties and the Burns Parties acknowledge that they have not submitted the information required for the County to determine the conditions of approval for a final parcel map for the Combined Baker-Burns Property. The County has preliminarily identified some of the conditions that may be attached to an approved tentative parcel map for the Combined Baker-Burns Property if/when such approval is given. The Baker Parties and the Burns Parties acknowledge that the likely conditions of approval for a final parcel map, identified below, are not exhaustive but rather are based on a review of preliminary and incomplete information. The County has identified the following non-exhaustive list of likely conditions of approval:

1. Provide at least 40 feet of street frontage at the property line for each lot fronting on a cul-de-sac and knuckle and at least 50 feet of street frontage at the

property line for all other lots (except for flag lots) and approximate radical lot lines for each lot;

2. Provide for the ownership and continued maintenance of the private and future streets by homeowners' association or by a maintenance agreement and provide the Department of Regional Planning with a copy of the covenants, conditions and restrictions for review;

3. Dedicate to the County of Los Angeles on the final parcel map the right to prohibit the construction of structures over the open space lot;

4. Provide for the ownership and maintenance of the open space lot by the County, or a nonprofit or public agency designated by the County, to the satisfaction of the Department of Regional Planning;

5. Number the open space lot on the final parcel map and provide access, a minimum of 15 feet in width, to the open space lot to the satisfaction of the Department of Regional Planning;

6. Provide slope planting and an irrigation system in accordance with the Grading Ordinance for the three (3) proposed residential parcels on the Combined Baker-Burns Property and/or for any areas proposed for development on the Combined Baker-Burns Property. Include conditions in the tract's Covenants, Conditions and Restrictions which would require continued maintenance of the plantings for the three (3) proposed residential parcels on the Combined Baker-Burns Property and/or for any areas proposed for development on the Combined Baker-Burns Property. A copy of such conditions in the tract's Covenants, Conditions and Restrictions shall be submitted to the Department of Regional Planning for recordation;

7. Provide three copies of landscape plan for the three (3) proposed residential parcels on the Combined Baker-Burns Property and/or for any areas proposed

for development on the Combined Baker-Burns Property which will be incorporated into a revised site plan to the satisfaction of (and for approval by) the Planning Director;

8. Plant at least one tree of a non-invasive species within the front yard of each residential lot. The location and the species of the trees shall be incorporated into a site plan or landscape plan to be approved by the Planning Director. A bond shall be posted with the Department of Public Works or other verification shall be submitted to the satisfaction of the Department of Regional Planning to ensure the planting of the required trees;

9. Submit a copy of the project Covenants, Conditions and Restrictions to the Department of Regional Planning for review and approval;

10. Remit a processing fee (within five days of the tentative parcel map approval date) in connection with the filing and posting of a Notice of Determination in compliance with the California Public Resources Code and the California Fish and Game Code to defray the costs of fish and wildlife protection and management;

11. Comply with any mitigation measures identified in the environmental review and record a covenant and agreement, and submit a draft copy to the Department of Regional Planning for approval, agreeing to the mitigation measures;

12. If applicable, submit mitigation monitoring reports to the Department of Regional Planning as frequently as may be required by the Department and, after completion of the relevant appeal period, deposit the sum of \$3,000 with the Department of Regional Planning in order to defray the cost of reviewing the parcel map applicant's reports and verifying compliance with the information contained in the reports;

13. Comply with all existing applicable requirements of County Codes Title 21 and 22, the Santa Monica Mountains North Area Plan, the Santa Monica Mountains North Area Community Standards District, Conditional Use Permits and any

other applicable permits, including but not limited to an Oak Tree Permit, and, if applicable, the Mitigation Monitoring Program; and

J. *Fees.* The County, the Baker Parties and the Burns Parties acknowledge that all initial project application filing fees, revision fees and plan check fees, will be waived for the development of the Combined Baker-Burns Property, that is in conformity with the terms of this Agreement, in an amount not to exceed \$20,000. Should the aforementioned fees exceed \$20,000 the Baker Parties and the Burns Parties acknowledge that they shall pay any amount in excess of \$20,000. In addition, the County acknowledges that due to the dedication of the extensive open space parcel no park in-lieu fees will be required.

K. *No Commitment To Approve The Combined Baker-Burns Parcel Map.* The Baker Parties, the Burns Parties and the County acknowledge that by entering into this Agreement they are bound to cooperate and work together in good faith in the review and processing needed for the approval of the parcel map for the Combined Baker-Burns Property. The Baker Parties and the Burns Parties further acknowledge, however, that this Agreement does not guarantee that the County will approve a tentative parcel map or a final parcel map for the Combined Baker-Burns Property. By entering into this Agreement, the County is not waiving its right to review the Combined Baker-Burns Property parcel map for conformance with all applicable State or County laws or regulations. Likewise, the Regional Planning Commission and the Board of Supervisors will retain the authority and discretion to disapprove or modify any proposed Combined Baker-Burns Property parcel map. Pursuant to paragraph III.B.2, however, the County may not be dismissed with prejudice from the Lawsuit unless or until a tentative parcel map for the Combined Baker-Burns Property, in substantial conformance with this Agreement and all attached Exhibits, is approved or until the Baker Parties and/or the

Burns Parties fail to (or decide not to) submit a completed tentative parcel map application within twenty-four (24) months of the date of execution of this Agreement.

L. ***Proposed Residential Structures.*** The Baker Parties, the Burns Parties and the County agree that each of the residential lots on the Combined Baker-Burn Property may have one (1) residential structure. The residential structure on each lot may range in size from 3,500 square feet up to 10,000 square feet if it is determined by the County that the size of any proposed residential structure is consistent with the dictates of the Santa Monica Mountains North Area Plan. The Baker Parties and the Burns Parties acknowledge that this Agreement does not guarantee that homes of 10,000 square feet will be permitted. Rather, architectural drawings and plans must be submitted before County staff can make that determination. Specifically, while the Santa Monica Mountains North Area Plan and the Santa Monica Mountains North Area Community Standards Districts (the regulations that govern development of the Combined Baker-Burns Property) do not prohibit homes of ten-thousand (10,000) square feet, the Santa Monica Mountains North Area Plan does require that total square footage of, and grading for, a rural structure should be restricted to a size that maintains the area's rural character.

The Baker Parties, the Burns Parties and the County further agree that restrictions on the color of any proposed residential structure, as well as reasonable restrictions on the maximum square footage of the proposed residential structure, may be included in the County's CUP conditions of approval for any residential structures on the Combined Baker-Burns Property. The County agrees that County staff will take all good faith steps necessary to resolve any issues that may arise regarding the development of the Combined Baker-Burns Property that is in substantial compliance with the conceptual parcel map attached hereto as Exhibit 2. The Baker Parties and the Burns Parties acknowledge that the good faith efforts of County staff does not guarantee that the

County will approve residential structures or issue building permits for the Combined Baker-Burns Property. The Baker Parties and the Burns Parties further acknowledge that any proposed residential structures on the Combined Baker-Burns Property will not be approved until after a final parcel map is recorded. The Baker Parties and the Burns Parties further acknowledge that pursuant to Section 22.44.133 of the Santa Monica North Areas Community Standards District, any proposed grading as authorized by the tentative parcel map on the Combined Baker-Burns Property may not proceed until a final parcel map is recorded.

III. GENERAL TERMS

NOW, THEREFORE, in consideration of the facts recited above and the covenants, conditions and promises contained herein, the Parties further agree as follows:

A. **General Releases.** In consideration of the terms and provisions of this Agreement, the County and the Individual Defendants on the one hand, and the Baker Parties and Burns on the other hand, on behalf of themselves and their respective predecessors, successors, heirs, assigns, owners, attorneys, affiliates, parent corporation(s), divisions, officers, directors, employees, agents, representatives, partners, servants, executors, administrators, accountants, investigators, shareholders, and each of them, in any and all capacities, do hereby mutually relieve, release and forever discharge the other and their respective predecessors, successors, heirs, representatives, agents, partners, officers, directors, employees (including former officers, partners, directors and employees), administrators, shareholders, assigns and all affiliated parent or subsidiary or related corporations, or divisions or partnerships, and each of them, of and from any and all claims, rights, debts, liabilities, demands, obligations, liens, promises, acts,

agreements, costs and expenses (including, but not limited to, attorneys' fees, costs and interest), damages, actions and causes of action, of whatever kind or nature (including without limitation, any statutory, civil or administrative claim, or any claim, arising out of acts or omissions occurring before the execution of this Agreement) of whatever kind or nature, whether now known or unknown, suspected or unsuspected, fixed or contingent, apparent or concealed, in any way based on, arising out of or related to or connected with the matters referred to in paragraphs I.C.1 and I.C.2 above, PROVIDED, HOWEVER, that this mutual release is not intended to and shall not constitute a release of the Parties' rights, obligations or warranties under this Agreement.

This release shall become final as to the Individual Defendants upon execution of this Agreement, as described in paragraph III.B, but will not be final as to the County until one of the circumstances described in paragraph III.B is met.

Notwithstanding the above described release, the Parties agree and acknowledge that each party is responsible for their own attorney's fees and costs incurred in the instant federal litigation titled *Baker v. County of Los Angeles et. al.* (USDC Case No. CV-04-03997-GHK (PJWx)).

B. Dismissals. The Baker Parties agree to file dismissals with prejudice of all the Individual Defendants in the Lawsuit within five (5) business days of full execution of this Agreement by all Parties. The dismissal with prejudice of the Individual Defendants is in no manner conditioned on approval of a parcel map for the Combined Baker-Burns Property or approval of proposed residential structures on the Combined Baker-Burns Property.

The Baker Parties further agree to file a dismissal with prejudice of the County in the Lawsuit within five (5) business days after the first of the following three

circumstances arises: (i) any administrative appeal period has expired on an approval by the Hearing Officer or the Regional Planning Commission of a tentative parcel map for the Combined Baker-Burns Property that is in substantial conformance with the conceptual parcel map attached hereto as Exhibit 2 and the terms specified in paragraph II of this Agreement and in Exhibits 3-10 attached hereto, thereby making said approval final; (ii) approval (on appeal) by the Board of Supervisors of the Regional Planning Commission of a tentative parcel map for the Combined Baker-Burns Property that is in substantial conformance with the conceptual parcel map attached hereto as Exhibit 2 and the terms specified in paragraph II of this Agreement and in Exhibits 3-10 attached hereto; or (iii) failure of the Baker Parties to submit a completed tentative parcel map application within twenty-four (24) months of the execution of this Agreement by all Parties.

The Parties acknowledge that should the Court not lodge or file said dismissals at the time specified in this Agreement that they will take any actions reasonably necessary to cause the Court to enter the referenced dismissals with prejudice. The Parties shall cooperate to obtain the Court's permission in the Lawsuit to keep it pending as against the County until the conditions for dismissal, as set forth in this paragraph, have been satisfied.

C. *Interest on Damages Claim.* In the event the conditions in paragraph III.B for dismissal of the County are not met and should the Lawsuit then be revived, the Parties agree that any damages and the accrual of interest on any potential damages awarded to the Baker Parties shall be stayed from the time the Parties entered into settlement negotiations, May 26, 2006, until the time the Baker Parties give the County notice that they are recommencing the Lawsuit.

D. *Indemnification and Hold Harmless.* The Baker Parties shall indemnify, save, hold harmless, and defend the County and the Individual Defendants in the event that a claim, demand or legal action is threatened or commenced by a third party or Parties regarding the Lawsuit, the Baker Property, the Combined Baker-Burns Property, the parcel map for the Combined Baker-Burns Property or this Agreement or which directly or indirectly challenges or compromises the enforceability, validity or legality of this Agreement and/or the power of the County or the Individual Defendants to enter into the Agreement or perform its obligations hereunder. The County and/or the Individual Defendants shall within fifteen (15) working days of receiving notice of any above-described claim, demand or legal action, notify the Baker Parties of any such action. The County and/or the Individual Defendants shall cooperate fully in the defense of any such action in which they are a party.

In the event of any challenge covered by this paragraph (III.D), the Parties acknowledge that the Baker Parties will be real parties in interest and thus retain their own counsel. If the County or Individual Defendants fails to notify the Baker Parties of any claim, action or proceeding within twenty (20) working days of notice or service thereof, or if they knowingly and materially facilitate, induce, or assist in the bringing or prosecution of said claim, or if they fail to cooperate fully in the defense of any action initiated against them, the Baker Parties shall not thereafter be responsible to defend or indemnify the County or the Individual Defendants.

E. *Waiver of Section 1542 of the Civil Code.* The Parties hereto, and each of them, expressly waive any and all rights under Section 1542 of the Civil Code of the State of California, or any other federal or state statutory rights or rules, or principles of common law or equity, or those of any jurisdiction, government, or political subdivision thereof, similar to Section 1542 (hereinafter referred to as a "Similar Provision"). Thus,

no party hereto may invoke the benefits of Section 1542 or any Similar Provision in order to prosecute or assert in any manner any claims released hereunder. Section 1542 provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

F. ***Successors and Assigns.*** This Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of the Parties hereto, and each of them.

G. ***Integration.*** This Agreement constitutes a single, integrated written contract expressing the entire agreement of the Parties hereto relative to the subject matter hereof and, with the sole and exclusive exception of any contemporaneous or subsequent written agreement between the Parties hereto subscribed by them or their duly authorized officers or agents, all prior and contemporaneous discussions and negotiations have been and are merged and integrated into, and are superseded by, this Agreement. Thus, no covenants, agreements, representations, or warranties of any kind whatsoever, whether express or implied in law or fact, have been made by any party hereto, except as specifically set forth in this Agreement or in any contemporaneous or subsequent written agreement between the Parties hereto subscribed by them or their duly authorized officers or agents.

H. ***Severability.*** In the event that any provision of this Agreement should be held to be void, voidable, unlawful or, for any reason, unenforceable, the remaining portions hereto shall remain in full force and effect.

I. ***Non-Assignment of Claims.*** Each of the Parties represents and warrants that it has not assigned or transferred any portion of the claims released herein to any other individual, firm, corporation or other entity and that no such individual, firm,

corporation or other entity has any lien, claim or interest in any of such claims, including, but not limited to, any claim or interest arising out of, related to or connected with the matters referred to in paragraph I.C.1 and I.C.2 above. Each party shall indemnify each other party, defend, and hold it harmless from and against any claims, rights, debts, liabilities, demands, obligations, liens, promises, acts, agreements, costs and expenses (including, but not limited to, attorneys' fees and costs), damages, actions and causes of action, of whatever kind or nature (including without limitation, any statutory, civil or administrative claim, or any claim, arising out of acts or omissions occurring before the execution of this Agreement) of whatever kind or nature, whether now known or unknown, suspected or unsuspected, fixed or contingent, apparent or concealed, arising out of, related to or connected with any such prior assignment or transfer, or any such purported assignment or transfer. Each party hereto covenants and agrees not to bring, induce, or assist, except to the extent required by law, any claim, action or proceeding of any kind or nature against any party hereto, directly or indirectly, regarding, connected with, arising out of, or relating to in any manner the matters released hereby.

J. *Miscellaneous Terms.* Each of the Parties hereto represents, warrants and agrees as follows:

1. Each of the Parties hereto has received prior independent legal advice from legal counsel of its choice with respect to the advisability of making the settlement provided for herein and with respect to the advisability of executing this Agreement. Each party's attorney has reviewed the Agreement at length, made any desired changes, and signed the Agreement to indicate that the attorney approved the Agreement as to form.

2. Except for statements expressly set forth in this Agreement, no party has made any statement or representation to any other party regarding a fact relied upon

by the other party in entering into this Agreement and no party has relied upon any statement, representation, or promise of any other party, or of any representative or attorney for any other party, in executing this Agreement or in making the settlement provided for herein.

3. Each of the Parties has read the Agreement carefully, knows and understands the contents thereof, and has made such investigation of the facts pertaining to the settlement and this Agreement and of all matters pertaining hereto as it deems necessary or desirable.

4. The terms of this Agreement are contractual, not a mere recital, and are the result of negotiations between the Parties.

5. Each of the Parties to the Agreement agrees that such party will not take any action which would interfere with the performance of this Agreement by any of the Parties hereto or which would adversely affect the rights provided for herein.

6. This Agreement is intended to be final and binding between the County and the Individual Defendants on the one hand and the Baker Parties and the Burns Parties on the other and is further intended to be effective as a full and final accord and satisfaction between them. Each party relies on the finality of this Agreement as a material factor inducing that party's execution of this Agreement.

7. The failure by any party hereto to insist on performance of any of the terms or conditions of this Agreement shall not void any of the terms or conditions hereto, or constitute a waiver or modification of any of the terms or conditions hereto, nor be construed as a waiver or relinquishment by such party of the performance of any such terms or conditions.

K. ***Disputed Rights.*** The Parties hereto explicitly acknowledge and covenant that this Agreement represents a settlement of disputed rights and claims and that, by

entering into this Agreement, no party hereto admits or acknowledges the existence of any liability or wrongdoing, all such liability being expressly denied. No provision hereof, or of any related document, shall be construed as any admission or concession of liability, of any wrongdoing or of any preexisting liability.

L. *Notices.* All notices, demands or other communications under this Agreement shall be in writing. Notice shall be sufficiently given for all purposes as follows:

1. When personally delivered notice is effective on delivery during normal business hours 8:00 a.m. to 5:00 p.m. Pacific Standard Time ("normal business hours").

2. When delivered by overnight delivery method, charges prepaid or charged to the sender's account, notice is effective on delivery if delivery is made during normal business hours.

To County: Raymond G. Fortner, Jr., County Counsel
Richard Weiss, Assistant County Counsel
Elaine Lemke, Principal Deputy County Counsel
Office of the County Counsel
500 West Temple Street
Los Angeles, California 90012-2713

To Individual Defendants: Same as for County

With a copy to: Deborah J. Fox, Esq.
Meyers, Nave, Riback, Silver & Wilson LLP
333 South Grand Avenue, Suite 1670
Los Angeles, California 90071

To Baker Parties: c/o Paul Burns
505 Thousand Oaks Boulevard
Thousand Oaks, California 91360

With a copy to: Fred Gaines, Esq.
Gaines & Stacey LLP
16633 Ventura Blvd, Suite 1220
Encino, California 91436-1865

M. ***Modifications.*** No modification, amendment or waiver of any of the provisions contained in this Agreement, or any future representation, promise or condition in connection with the subject matter of this Agreement, shall be binding upon any party hereto unless made in writing and signed by such party or by a duly authorized officer or agent of such party.

N. ***Execution.*** This Agreement may be executed and delivered in any number of counterparts or copies ("counterpart") by the Parties hereto. Signatures may be provided via telefacsimile or electronically in PDF format. When each party has signed and delivered at least one counterpart to the other party hereto, each counterpart shall be deemed an original and, taken together, shall constitute one and the same Agreement, which shall be binding and effective as to the Parties hereto.

O. ***Authority to Execute.*** Each party executing this Agreement further represents and warrants that each has the full right and authority to enter into and perform this Agreement on behalf of the party for whom each has signed and the full right and authority to bind fully said party to the terms and obligations (including, without limitation, the representations and warranties set forth herein) of this Agreement. The execution and delivery of this Agreement and the performance of the County and the Baker Parties' and/or the Burns Parties' obligations have been or will be duly authorized by all necessary actions on the part of the Parties respectively. This Agreement constitutes the legal, valid and binding obligation of the County, the Individual Defendants, the Baker Parties and the Burns Parties.

P. ***Governing Law.*** This Agreement shall be construed and enforced in accordance with the laws of the State of California where it is deemed to have been executed and delivered.

Q. *Captions and Headings.* Captions and paragraph headings used herein are for convenience only. They are not a part of this Agreement and shall not be used in construing it.

R. *Survival.* Each and all of the covenants, representations and warranties of the Parties set forth in this Agreement shall survive the execution and delivery of this Agreement and the execution and delivery of any other document provided for herein.

S. *Enforceability and Notice.* If any party believes that another party is in breach of the Agreement, said party shall, prior to commencing any action regarding the Agreement, first participate in a good faith attempt to resolve said dispute as follows:

The complaining party shall serve written notice of the asserted violation on the other party or Parties to the Agreement ten (10) court days prior to: (1) reviving the Lawsuit USDC Case No. CV-04-3997-GHK (PJWx) against the County; or (2) prior to filing a new lawsuit regarding the alleged breach of the Agreement. At a minimum, the notice of an alleged breach of the Agreement shall be provided in keeping with paragraph III.L, above.

The written notice provided by the complaining party shall be in sufficient detail to permit the respondent(s) to evaluate the complaint and to formulate a response. The written notice shall identify each issue in dispute and claimed violations, shall state briefly with respect to each such violation the moving party's position and specify the terms of the requested resolution. The notice shall also state that the complaining party will confer with the respondent(s) within the ten (10) court day time frame, specified above, if requested by the respondent(s). The complaining party must confer with the alleged breaching party or parties within the requisite time frame, if such conference is requested by the breaching party or parties.

All Parties to the Agreement shall be invited to be included in the conference. The conference may take place in person or telephonically and will be held in a good faith effort to cure the asserted violation(s), eliminate the necessity of an enforcement action or to eliminate as many of the disputes as possible.

If no meeting is requested or if the asserted violation is not resolved to the satisfaction of the moving party by the conclusion of the meeting, and the moving party does not believe that further informal attempts will yield a satisfactory resolution, the moving party may then seek appropriate relief once the requisite ten (10) day period has run.

T. ***Good Faith Clause.*** The Parties agree to cooperate fully, reasonably, and in good faith in the implementation of this Agreement. The Parties also agree to execute any and all supplemental documents, and to take all additional lawful and reasonable actions, which may be necessary or appropriate to give full force and effect to the basic terms and to fully implement the goals and intent of this Agreement.

IN WITNESS WHEREOF, the Parties hereto and their respective attorneys of record have approved and executed this Agreement and General Release on the dates specified below:

COUNTY OF LOS ANGELES, CALIFORNIA
RAYMOND G. FORTNER, JR.
County Counsel

Date: _____, 2008 By: _____
ELAINE M. LEMKE
Principal Deputy County Counsel
Property Division

ATTEST:
SACHI A. HAMAI
Executive Officer/Clerk of the
Board of Supervisors

By: _____

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COUNTY OF LOS ANGELES, CALIFORNIA

RAYMOND G. FORTNER, JR.

County Counsel

Date: August 1, 2008

By: Elaine M Lemke
ELAINE M. LEMKE
Principal Deputy County Counsel
Property Division

INDIVIDUAL DEFENDANTS

Date: August 1, 2008 By: Elaine M Lemke
Elaine Lemke, Principal Deputy County Counsel

ALBERT BAKER

Date: _____, 2008 By: _____
Albert Baker, as an individual

BAKER FAMILY TRUST

Date: _____, 2008 By: _____
Albert Baker, trustee of the Baker Family Trust

PAUL BURNS

Date: _____, 2008 By: _____
Paul Burns, as an individual

BURNS-PACIFIC CONSTRUCTION, INC.

Date: _____, 2008 By: _____
Paul Burns, _____

APPROVED AS TO FORM:

Deborah J. Fox
Deborah J. Fox, Esq.
MEYERS, NAVE, RIBACK,
SILVER & WILSON

Date: Oct 15, 2008

Date: _____, 2008

INDIVIDUAL DEFENDANTS

Date: _____, 2008 By: _____
Elaine Lemke, Principal Deputy County Counsel

ALBERT BAKER

Date: _____, 2008 By: _____
Albert Baker, as an individual

BAKER FAMILY TRUST

Date: _____, 2008 By: _____
Albert Baker, trustee of the Baker Family Trust

PAUL BURNS

Date: _____, 2008 By: _____
Paul Burns, as an individual

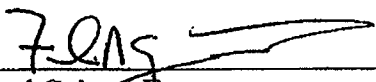
BURNS-PACIFIC CONSTRUCTION, INC.

Date: _____, 2008 By: _____
Paul Burns, _____

APPROVED AS TO FORM:

Deborah J. Fox, Esq.
MEYERS, NAVE, RIBACK,
SILVER & WILSON

Date: _____, 2008



Fred Gaines, Esq.
GAINES & STACEY, LLP

Date: 10-15, 2008

INDIVIDUAL DEFENDANTS

Date: _____, 2008 By: _____
Elaine Lemke, Principal Deputy County Counsel

ALBERT BAKER

Date: _____, 2008 By: _____
Albert Baker, as an individual


BAKER FAMILY TRUST

Date: _____, 2008 By: _____
Albert Baker, trustee of the Baker Family Trust

PAUL BURNS

Date: 10-15, 2008 By: 
Paul Burns, as an individual

BURNS-PACIFIC CONSTRUCTION, INC.

Date: 10-15, 2008 By: 
Paul Burns, PRESIDENT

APPROVED AS TO FORM:

Deborah J. Fox, Esq.
MEYERS, NAVE, RIBACK,
SILVER & WILSON Date: _____, 2008

Fred Gaines, Esq.
GAINES & STACEY, LLP Date: _____, 2008

ATTEST:
SACHI A. HAMAI
Executive Officer/Clerk of the
Board of Supervisors

By: _____

INDIVIDUAL DEFENDANTS

Date: _____, 2008 By: _____
Elaine Lemke, Principal Deputy County Counsel

ALBERT BAKER

Date: _____, 2008 By: Albert Baker
Albert Baker, as an individual

BAKER FAMILY TRUST

Date: _____, 2008 By: Albert Baker, Trustee, Baker Family Trust
Albert Baker, trustee of the Baker Family Trust

PAUL BURNS

Date: _____, 2008 By: _____
Paul Burns, as an individual

BURNS-PACIFIC CONSTRUCTION, INC.

Date: _____, 2008 By: _____
Paul Burns, _____